

Legislation

ER 8-3428

7 June 1956

Mr. Lyman Hamilton
Budget Examiner
International Division
Bureau of the Budget
Executive Office Building
Washington, D. C.

Dear Mr. Hamilton:

This is in response to your request for comments on an undated draft of a letter to Senator George concerning a proposed amendment by Senator Douglas to H. R. 11356.

This Agency agrees with the points made in this letter which lead to the conclusion that a "Freedom Administration" as proposed in the Douglas amendment would not be a desirable or feasible means of attaining the objectives which the Senator has in mind.

Apart from comments relating directly to the language of the Douglas amendment, we are very much interested in the possibility of establishing a mechanism through which the government could, in selected situations, contribute to private or semi-private organizations which are actively engaged in activities designed to encourage and assist peoples behind the Iron Curtain. We note that the draft letter, citing the Voice of America as one example, states that "there does not appear to be any lack of authority to pursue this objective." Although we are not as competent as other agencies to analyze the legal implications of various provisions of the Mutual Security Act, it is our impression that the use of devices such as Section 401 of that Act, although technically and legally possible, does not provide for meeting this problem in as direct a manner as might be desirable. We concede that the "Freedom Administration" would not be a feasible mechanism for accomplishing this. We would hope, however, that the Executive Branch recognizes this problem and would be prepared to support appropriate legislation which might accomplish this objective. We are not in a position, however, at this time to suggest any such language.

In summary, this Agency is in accord with the objectives of the Douglas amendment, but agrees with the position that this amendment is undesirable. Regarding the language of the amendment itself, we object formally to the provision on lines 12 through 16 of page 4, which provides that "the Administrator shall advise and consult with the Director of Central Intelligence" in making any grant under the section. We feel that this provision might place the Director of Central Intelligence in a position of having to participate in policy decisions as to whether certain grants should or should not be made, which is inconsistent with the statutory definition of his responsibilities. If it would be simply a matter of checking with the Central Intelligence Agency as to whether or not intelligence information exists on certain organizations which might affect the Administrator's decision, this could be better handled by administrative arrangement than by statutory direction.

Sincerely,


Legislative Counsel

STAT

IG:NSP:fm

Distribution:

- Orig & 1 - Addressee
- 1 - OGC, Mr. Houston ✓
- 1 - Mr. Cord Meyer, IO Div.
- 2 - Leg. Counsel